Declassified in Part - Sanitized Copy Approved for Release 2013/06/13 : CIA-RDP74-00297R001101100001-0

-CONFIDENTIAL

28

MEMORANDUM FOR THE DIFFECTOR:

The DAILY WOPKER has attacked you and has published data taken from Congressional hearings, from Sherman Kent's book, from John Fischer's book, "Master Flan USA," to report methods it says United States intelligence uses.

The WORKER in an article by "John Pittman" on page 4 of its issue of Sunday, January 25, 1953, states in part as follows which may be of interest to a Congressional committee:

"More clearly than most Americans, the socialist peoples knew that Wall Street's executive committee, the National Security Council, had long been directing a project of total espionage and subversion against their countries. Since its establishment in 1947, this brainchild of James Forrestal had worked chiefly on intelligence matters. It consisted of Truman, the secretaries of State, Defense, Treasury, the Mutual Security director, Chief of Staff Omar Bradley, the Defense Mobilizer, and three intelligence men. But its most important member was Gen. Walter Bedell Smith, chief of the Central Intelligence Agency. "Smith furnishes the bulk of secret information on which the Council must act," wrote ex-intelligence agent John Fischer in his 'Master Plan, U.S.A. (p. 26).

"Now, under Eisenhower, spymaster Smith was to be Under Secretary of State, and the Secretary of State was to be John Foster Dulles, former America Firster, lawyer for Franco and Hitler's banker Henry Shroeder, and the chief 5. S. exponent of 'liberating' the people of the socialist countries. To the builders of socialism, the change in Washington seemed more than a mere continuation of Trumsn's aggressive hostility.

"In Truman's Administration, professional spy-master Smith had made use of religious, charitable and fraternal organizations, as well as the usual career personnel of the foreign service. According to C.S.S. veteran and ex-State Department side Sherman Kent, Smith also used "members of special commissions, U. S. delegates to international conferences, travelling Congressmen...writers...newspapermen...big game hunters...learned institutions." (Strategic Intelligence for American World Police, pp. 10-30). And according to W. Fark Amertrong, the State Department's Special Assistant for Intelligence, Smith had 'developed an extensive programme of collaboration with universities, endowments, and other research organizations here and abroad.' (Hearings before subcommittee of House Cormittee on Appropriations, S2nd Congress, lat Session, p. 207). Both the Prague trial and the Loscow doctors' confessions had now added to this list the Joint Distribution Committee, a charitable organization, and Zionist bourgeois nationalism, a current of world capitalist ideology.

"The question these revelations posed for the socialist countries was: 'What next?' For if Truman had approved all these elements of U.S. total espionage, Eisenhower and his aides had shouted from the rooftops

CONFIDENTIAL

their determination to expand the plot to destroy socialism 'from within.' And Armstrong, in his testimony tefere the House subcommittee, had agreed that 'the intelligence service of the Government of the United States.... is the equal of any and the superior of most in the world.' (Ibid., p. 80)."

STAMLEY J. GROCAN

CONFIDENTIAL